

paragraph shall identify such stock in a manner sufficient to enable the accurate reporting of the transfer of record title to such shares. Such identification may be accomplished by assigning to the certificates of stock issued pursuant to the exercise of such options a special serial number, or color.

(c) *Time, place, and manner of filing.*

(1) The returns on Forms 3921 and 3922 required by section 6039(a) (1) and (2) and paragraphs (a) and (b) of this section shall be filed as attachments to a summary report on Form 4067 which must be signed by the person required to file the returns or its duly authorized agent. With respect to returns on Form 3921, the summary report on Form 4067 shall indicate the number of returns filed, the number of shares transferred pursuant to exercise of options, the dates on which the options exercised were offered or granted, the fair market value of shares subject to option on such dates, the method by which such value was determined, the type of options under which the transferred shares were acquired, and such other information as may be required by the form or by the instructions issued with respect thereto. With respect to returns on Form 3922, the summary report on Form 4067 shall indicate the number of returns filed, the number of shares transferred, the type of options under which the transferred shares were acquired and such other information as may be required by the form or by the instructions issued with respect thereto. The summary report on Form 4067 and the attached returns on Forms 3921 and 3922 required for any calendar year shall be filed on or before February 28 of the following year with any of the Internal Revenue Service Centers.

(2) If a return is made by the authorized "transfer agent" of the corporation, as described in paragraph (b)(3) of this section, it shall be filed with the district director for the district where the income tax return of the principal corporation is filed after the close of the calendar year for which the return is required, but on or before February 28th of the following calendar year.

(3) For provisions relating to the extension of time for filing the returns required by this section, see § 1.6081-1.

(4) For provisions relating to the time for performance of an act when the last day prescribed for performance falls on Saturday, Sunday, or a legal holiday, see § 301.7503-1 of this chapter (Regulations on Procedure and Administration).

(d) *Stock to which this section applies.* The rules of this section shall apply to any full share of stock acquired pursuant to the exercise of any qualified or restricted stock option, or any option granted under an employee stock purchase plan, irrespective of whether the transfer of stock pursuant to such exercise qualified for the special tax treatment of section 421 and the regulations thereunder. In addition, the rules of paragraph (b) of this section shall apply to any full shares of stock received in respect of stock which was originally acquired pursuant to the exercise of an option described in the preceding sentence. See section 425(b). For definitions of the terms "exercise" and "transfer" see paragraphs (f) and (g) of § 1.421-7. A return is required under paragraph (b) of this section irrespective of whether the transfer of the title constitutes a disposition of such stock as defined by section 425(c).

[T.D. 6887, 31 FR 8813, June 24, 1966]

§ 1.6039-2 Statements to persons with respect to whom information is furnished.

(a) *Requirement and form of statement.* Every corporation required to make a return on Form 3921 or 3922 under section 6039(a) and § 1.6039-1 shall furnish to each person whose identifying number is (or should be) shown on such return a written statement containing the information required to be shown on such return. This requirement may be met by furnishing a copy of the appropriate return to such person. A statement shall be considered to be furnished to a person within the meaning of this section if it is mailed to such person at his last known address.

(b) *Time for furnishing statements—(1) In general.* Each statement required by this section to be furnished to any person for a calendar year shall be furnished to such person on or before January 31, of the year following the year for which the statement is required.

(2) *Extension of time.* For good cause shown upon written application of the corporation required to furnish statements under this section, the district director may grant an extension of time not exceeding 30 days in which to furnish such statements. The application shall be addressed to the district director with whom the income tax returns of the applicant-corporation are filed and shall contain a full recital of the reasons for requesting the extension to aid the district director in determining the period of the extension, if any, which will be granted. Such a request in the form of a letter to the district director signed by the applicant (or its agent) will suffice as an application. The application shall be filed on or before the date prescribed in subparagraph (1) of this paragraph for furnishing the statements required by this section.

(3) *Last day for furnishing statement.* For provisions relating to the time for performance of an act when the last day prescribed for performance falls on Saturday, Sunday, or a legal holiday, see § 301.7503-1 of this chapter (Regulations on Procedure and Administration).

(c) *Penalty.* For provisions relating to the penalty provided for failure to furnish a statement under this section, see § 301.6678-1 of this chapter (Regulations on Procedure and Administration).

[T.D. 6887, 31 FR 8814, June 24, 1966]

§ 1.6041-1 Return of information as to payments of \$600 or more.

(a) *General rule.* (1) *Information returns required—*(i) *Payments required to be reported.* Except as otherwise provided in §§ 1.6041-3 and 1.6041-4, every person engaged in a trade or business shall make an information return for each calendar year with respect to payments it makes during the calendar year in the course of its trade or business to another person of fixed or determinable income described in paragraph (a)(1)(i) (A) or (B) of this section. For purposes of the regulations under this section, the person described in this paragraph (a)(1)(i) is a payor.

(A) Salaries, wages, commissions, fees, and other forms of compensation

for services rendered aggregating \$600 or more.

(B) Interest (including original issue discount), rents, royalties, annuities, pensions, and other gains, profits, and income aggregating \$600 or more.

(ii) *Information returns required under other provisions of the Internal Revenue Code.* The payments described in paragraphs (a)(1)(i) (A) and (B) of this section shall not include any payments of amounts with respect to which an information return is required by, or may be required under authority of, section 6042(a) (relating to dividends), section 6043(a)(2) (relating to distributions in liquidation), section 6044(a) (relating to patronage dividends), section 6045 (relating to brokers' transactions with customers), sections 6049(a) (1) and (2) (relating to interest), section 6050N(a) (relating to royalties), or section 6050P (a) or (b) (relating to cancellation of indebtedness). In addition, the payments described in paragraphs (a)(1)(i) (A) and (B) of this section shall not include amounts excepted from the definition of dividends under section 6042(b)(2) and § 1.6042-3(b)(1), amounts described in section 6044(b), amounts excepted from reporting under § 1.6045-1(g), amounts excepted from the definition of interest under section 6049(b)(2) (C) or (D), § 1.6049-4(c), or 1.6049-5(b)(6) through (15). Notwithstanding the preceding sentence, interest with respect to a notional principal contract excluded from the definition of interest under § 1.6049-5(b)(15) is reportable under this section. The term *interest* as used in this paragraph (a)(1)(ii) otherwise includes all interest, other than interest coming within the definition of interest provided in § 1.6049-5(a). For example, a closely held corporation borrows money from one of its officers on a promissory note not in registered form bearing annual stated interest of \$300. The corporation also pays royalties to the officer amounting to \$400 a year. An information return is required under this paragraph (a)(1) to report the payments to the officer because the interest does not come within the definition of interest in § 1.6049-5(a) and the aggregate of interest and royalties exceeds \$600.